



LOUISIANA
DEPARTMENT *of* REVENUE

Excise Taxes

Bonding and Licensing Requirements for Tobacco, Alcohol, Beer, and Motor Fuels Taxes

Louisiana Department of Revenue (LDR) Vision and Mission Statements

Vision Statement: LDR strives to be a results-based, innovative and focused organization that is capable of rapidly responding to the needs of its citizens/stakeholders.

Mission Statement: To fairly and efficiently collect state tax revenue to fund public services; to regulate charitable gaming and the sale of alcoholic beverages and tobacco; and to support state agencies in the collection of overdue debts.

Excise Tax Surety Bonds

Statutory Authority

R.S. 26:348, R.S. 47:818:40 and R.S. 47:848 provide that every dealer in alcoholic beverages, motor fuels and tobacco must provide a satisfactory surety bond guaranteeing the payment of all taxes accruing under this part.

There are several types of surety bonds which include Alcohol, Beer, Tobacco, Interstate Motor Fuel User (IFTA-only if previous account has been revoked), and Motor Fuels. The Excise Tax Unit receives surety bonds daily by mail, hand delivery or they can be submitted through the LaTAP system.

Bond Amounts – Excise Tax Account Types

The following tax account types require an excise tax surety bond:

Tax Account Type	Minimum Bond Amount Required
Alcohol	\$10,000
Beer	\$10,000
Tobacco	\$2,500
Terminal Operator	\$1,000,000
Supplier/Permissive Supplier	\$50,000
Distributor/Exporter/Blender (DEB)	\$20,000
Importer	\$20,000
Special Fuels	\$20,000
Interstate Motor Fuel User	\$20,000

An acceptable surety bond must be secured before these tax accounts will be opened by the Excise Tax Unit.

Bonding Requirements – Excise Tax Account Types

A surety bond can be submitted by either the taxpayer or a surety company.

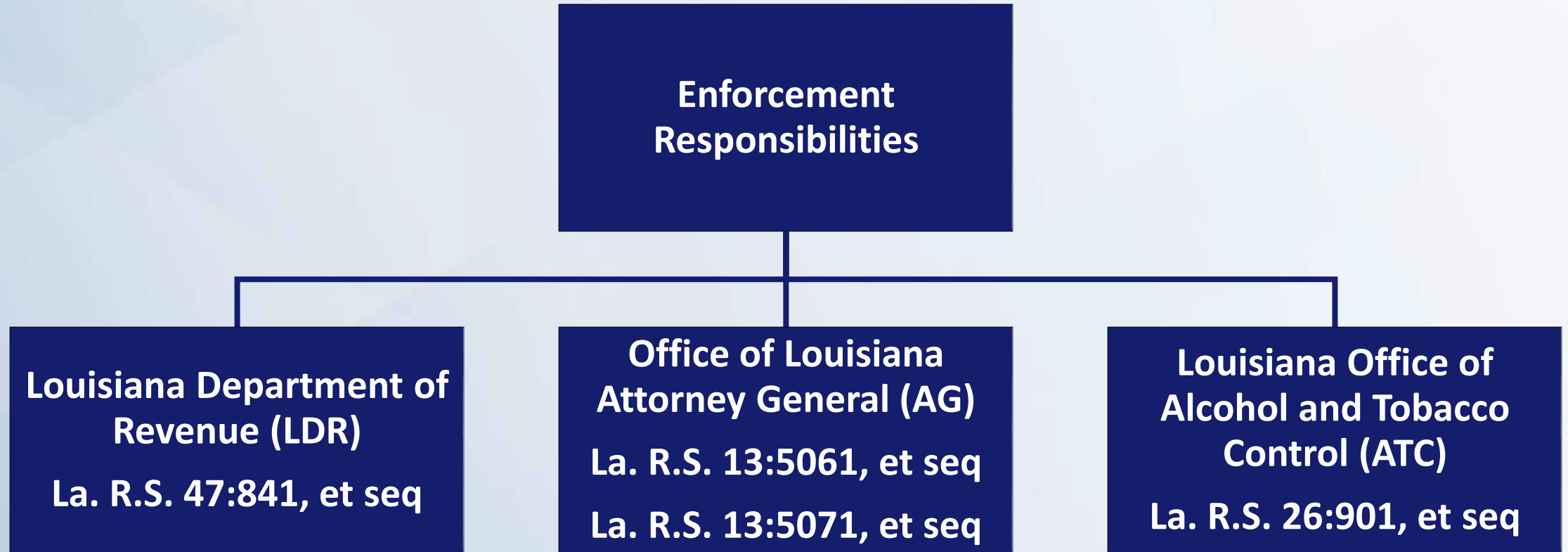
To process a bond the following items are required:

- ✓ **Bond can be submitted by mail or through the LaTAP system**
 - Bond must be signed and dated by an official of the principal
 - Bond must be witnessed by the surety & the principal
 - Principal and trade name must correspond exactly at the top and bottom sections of the bond
 - Surety name must correspond exactly at the top and bottom sections of the bond
 - Original or Certified copy of the power of attorney must be attached to the bond
 - Original or Certified copy of the power of attorney must be dated on or before the date of the bond
 - Bond must be signed by an attorney-in-fact, whose name must also appear on the certified copy of the power of attorney
 - Principal's complete mailing and physical location address must appear in the top section of the bond
 - Bond is required for the minimum bond amount by tax type

Tobacco Tax Administration

The Louisiana Department of Revenue (LDR) in conjunction with the Louisiana Office of Alcohol and Tobacco Control (ATC) and the Office of Louisiana Attorney General (AG) administer the laws pertaining to Tobacco Taxes.

Tri-Agency Tobacco Enforcement



Louisiana Department of Revenue (LDR) Responsibilities

Ensures proper bond is provided by registered tobacco dealers, which guarantees payment of all taxes and penalties that may be levied

La. R.S. 47:848

Sells tax stamps to licensed stamping agents to affix to approved tobacco products for sale in LA

La. R.S. 47:843

Collects excise tax due on tobacco products sold in LA

La R.S. 47:841

Conducts audits to ensure all taxes are properly reported/paid

La. R.S. 47:853, 47:856

Power to seize contraband tobacco product (ATC)

La. R.S. 47:865

Louisiana Office of Alcohol and Tobacco Control (ATC) Responsibilities

- Receives permit applications, issues permits and collects fees from wholesale and retail dealers, and vending machine/operators
- Maintains lists of wholesale and retail dealers who hold permits in Louisiana
- Maintains lists of persons holding stamping agent designation and exporter license
- Conducts periodic inspection of all businesses holding permits
- Prosecutes administrative violations; imposes fines for non-compliance
- Conducts administrative hearings and appeals related to permits
- Seizes contraband products
- Issues minimum wholesale and retail cigarette prices

Office of Louisiana Attorney General (AG) Responsibilities

- Enforces the terms of the Master Settlement Agreement (MSA)
- Approves manufacturer's brands
- Maintains State Directory of Approved Tobacco Brands (and manufacturers)
- Enforces escrow payments made by Non-Participating Manufacturers
- Audits wholesalers to ensure adequate funds have been escrowed
- Inspects tobacco retailers for MSA prohibited advertising

Bonding, Permitting and Licensing Requirements

The process for each of the following tax types will be reviewed in this presentation:

- Tobacco
- Alcohol
- Beer
- Motor Fuels

Tobacco Taxes



Tobacco Tax Account Registration and Permitting

As a permitted tobacco wholesaler, the taxpayer must secure a tobacco tax surety bond and report all taxable tobacco products on the monthly tobacco tax return.

- Taxpayer should contact the Louisiana Office of Alcohol and Tobacco Control (ATC) for permitting requirements and procedures; Phone Number: 225.925.4041
- Bond should be secured with Louisiana Department of Revenue (LDR) for a minimum of \$2,500.00
- When the bond has been completed, the original bond documents (bond and power of attorney - from the insurance/surety company) can be sent to LDR by mail, hand delivery, or via the LaTAP system
- Once the permitting process with ATC is complete and a tobacco tax surety bond has been secured with LDR, an approved bond clearance form will be sent to ATC
- The tobacco tax account will be opened once all LDR and ATC requirements are met
- The taxpayer is required to file the monthly tobacco tax return (and pay, if applicable) electronically through the LaTAP system

*Please note: Tobacco stampers - will utilize the LaTAP system to order and pay for tobacco stamps

Alcohol Taxes



Alcohol Tax Account Registration and Permitting

As a permitted alcohol wholesaler, the taxpayer must secure an alcohol tax surety bond and report all taxable alcohol products on the monthly alcohol tax return.

- Taxpayer should contact the Louisiana Office of Alcohol and Tobacco Control (ATC) for permitting requirements and procedures; Phone Number: 225.925.4041
- Bond should be secured with the Louisiana Department of Revenue (LDR) for a minimum of \$10,000.00
- When the bond has been completed, the original bond documents (bond and power of attorney - from the insurance/surety company) can be sent to LDR by mail, hand delivery, or via the LaTAP system
- Once the permitting process with ATC is complete and an alcohol tax surety bond has been secured with LDR, an approved bond clearance form will be sent to ATC
- The alcohol tax account will be opened once all LDR and ATC requirements are met
- The taxpayer is required to file the monthly alcohol tax return (and pay, if applicable) electronically through the LaTAP system

Beer Taxes



Beer Tax Account Registration and Permitting

As a permitted beer wholesaler, the taxpayer must secure a beer tax surety bond and report all taxable beer products on the monthly beer tax return.

- Taxpayer should contact the Louisiana Office of Alcohol and Tobacco Control (ATC) for permitting requirements and procedures; Phone Number: 225.925.4041
- Bond should be secured with Louisiana Department of Revenue (LDR) for a minimum of \$10,000.00
- When the bond has been completed, the original bond documents (bond and power of attorney - from the insurance/surety company) can be sent to LDR by mail, hand delivery, or sent via the LaTAP system
- Once the permitting process with ATC is complete and a beer tax surety bond has been secured with LDR, an approved bond clearance form will be sent to ATC
- The beer tax account will be opened once all LDR and ATC requirements are met
- The taxpayer is required to file the monthly beer tax return (and pay, if applicable) electronically through the LaTAP system

Motor Fuel Taxes



Types of Motor Fuel Tax Licenses

Terminal Operator License- this license permits one to be engaged in terminal activity within the state of Louisiana. If applying for a Terminal Operator License, the following information is needed:

1. The Motor Fuel Excise Tax License Application (Form #R- 5409)
2. The Motor Fuel Tax Surety Bond (Form #R- 5304) in the amount of \$1,000,000; **The original bond document or certified copy including the power of attorney is required.**
3. Copy of the IRS 637-Registration Letter

Supplier/Permissive Supplier License- this license permits one to be engaged in pipeline activity within the state of Louisiana. If applying for a Supplier/Permissive Supplier License, the following information is needed:

1. The Motor Fuel Excise Tax License Application (Form #R- 5409)
2. The Motor Fuel Tax Surety Bond (Form #R- 5304) in the amount of \$50,000; **The original bond document or certified copy including the power of attorney is required.**
3. Copy of the IRS 637-Registration Letter

Types of Motor Fuel Tax Licenses (Continued)

Distributor, Importer, Exporter or Blender License- these licenses permit one to buy, sell, import, export and blend fuel within the state of Louisiana. If applying for a Distributor, Importer, Exporter or Blender License, the following information is needed.

1. The Motor Fuel Excise Tax License Application (Form #R- 5409)
2. The Motor Fuel Tax Surety Bond (Form #R- 5304) in the amount of \$20,000; **The original bond document or certified copy, including the power of attorney, is required.**

If applying for more than one of these accounts, only one \$20,000 surety bond is needed.

Transporter or Aviation Fuel Dealer License- the transporter license permits one to transport fuel (as a carrier, you do not own the fuel). The aviation fuel dealer license permits one to buy and sell aviation fuel within the state of Louisiana. If applying for a Transporter or a Aviation Fuel Dealer License, the following information is needed:

1. The Motor Fuel Excise Tax License Application (Form #R- 5409)

(Motor Fuel Tax Surety Bond is not needed for these accounts.)

To apply online for any of the motor fuel tax licenses, visit <https://revenue.louisiana.gov/Forms/ForBusinesses>.

Motor Fuel Tax Account Registration and Licensing

To open a motor fuel account; a motor fuel tax license application, surety bond, power of attorney and IRS 637 Registration Letter (if applicable) must be received.

§818.39. License application procedure

- A. To obtain a license under this Subpart an applicant shall file an application with the secretary on forms provided and shall furnish a bond as designated in R.S. 47:818.40 in the amount applicable to the license.

The application shall include:

1. The legal name and name under which the applicant transacts or intends to transact business.
2. The mailing and physical address of the applicant's principal office, residence, or place of business in this state, or other location of the applicant.
3. The applicant's federal employer identification number (FEIN) or, if an individual, the social security number in the absence of a FEIN.
4. The applicant's Louisiana revenue account number, if already assigned.
5. If the applicant is not an individual, the names and social security numbers of the principal officers of an applicant corporation or the members of an applicant partnership or limited liability company, the managers of the facility, and the office, street, and post office box addresses of each.

LDR must receive a completed application packet by mail, hand delivery, or sent via the LaTAP system

Motor Fuel Tax Account Registration and Licensing

As a licensed motor fuel wholesaler, the taxpayer must secure a motor fuel tax surety bond and report all taxable motor fuel products on the monthly motor fuel tax return.

A motor fuel application can be filed via LaTAP or paper

- Bond should be secured with LDR; The minimum bond amount is based on motor fuel license type
- When the bond has been completed, the original bond documents (bond and power of attorney - from the insurance/surety company) can be mailed, hand delivered, or sent via the LaTAP system
- The motor fuel tax account will be opened once all LDR requirements are met
- The taxpayer is required to file the monthly motor fuel tax return via mail
- If a payment is due, it must be sent electronically through the LaTAP system

Resources

Louisiana Department of Revenue (LDR)

Baton Rouge Headquarters
617 North Third Street
Baton Rouge, LA 70802

855.307.3893
Fax: 225-231-6238

Mailing Address
Post Office Box 4998
Baton Rouge, LA 70821

Excise Tax Unit Email Address
Excise.Inquiries@LA.GOV

Louisiana Office of Alcohol and Tobacco Control (ATC)

7979 Independence Blvd
Baton Rouge, LA 70806

225.925.4041

Office of Louisiana Attorney General (AG)

Tobacco Enforcement Unit
1885 North Third Street
Baton Rouge, LA 70802

225.326.6423
800-241-9311